

ASSEMBLY BILL

No. 33

Introduced by Assembly Member Jeffries

December 4, 2006

An act to add Section 17053.96 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

AB 33, as introduced, Jeffries. Income tax credit: school transportation costs.

The Personal Income Tax Law authorizes various credits against the taxes imposed by that law.

This bill would allow a credit in an amount equal to 20% of the school transportation costs, as defined, paid or incurred by the taxpayer during the taxable year.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17053.96 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17053.96. (a) For each taxable year beginning on or after
- 4 January 1, 2007, there shall be allowed as a credit against the “net
- 5 tax,” as defined by Section 17039, an amount equal to 20 percent
- 6 of the school transportation costs paid or incurred by the taxpayer
- 7 during the taxable year.

1 (b) For purposes of this section, “school transportation costs”
2 means any costs for transporting any child of the taxpayer, and
3 any child for whom the taxpayer is the legal guardian, to attend
4 classes at any school in this state that provides instruction for
5 kindergarten or grades 1 to 12, inclusive. “School transportation
6 costs” include any fees or charges imposed by the school or school
7 district for the transportation.

8 (c) In the case where the credit allowed by this section exceeds
9 the “net tax,” the excess may be carried over to reduce the “net
10 tax” in the following year, and succeeding years if necessary, until
11 the credit has been exhausted.

12 SEC. 2. This act provides for a tax levy within the meaning of
13 Article IV of the Constitution and shall go into immediate effect.